DEPARTMENT OF STATE

July 6, 1961

TO: The Secretary

THROUGH: S/S MM

FROM:

EUR - William R. Tyler

SUBJECT: Berlin: Ulbricht's Speech of July 6 on

the Berlin Problem

In a speech today to the East German <u>Volkskammer</u>, the East German Communist leader Walther Ulbricht presented the so-called "Peace Plan of the German People."

The elements of the so-called Peace Plan are not essentially different from the previous East German proposals for the conclusion of a German peace treaty. It calls for the establishment of a "German Peace Commission" composed of representatives of the Government of the Federal Republic and the East German regime to lay the groundwork for a peace treaty which Ulbricht said would be signed by both Germanies or by the East German regime alone if the Federal Republic refused to adhere.

Missing in Ulbricht's presentation is mention of a 1961 deadline. Instead he said, "the solution of the West Berlin question has ultimately been put on the agenda of history in 1961."

By the same token, there is considerable emphasis in Ulbricht's speech on "negotiations." He said, "there will be no shooting, but negotiations. I should like to stress, above all to those of West German countrymen who have been frightened by the war-like clamor of West German militarists, that there will be negotiations. Everything will proceed peacefully. Nothing else has been proposed. We shall never resort to non-peaceful means unless we are attacked. I am convinced there will be agreement and settlement."

The peace treaty, Ulbricht said, would pave the way for neutral Germany -- East and West Germany as well as West Berlin. West Berlin would be a neutral demilitarized city until Germany is reunified. The East and West German governments would renounce the use of force and the victors of World War II would guarantee the country's neutrality.

In spelling out the implications of the peace treaty, he emphasized that the East German regime intended to exercise full control over the land, water, and air routes to Berlin, and stressed that if the Western Allies wanted to preserve their access rights to Berlin, they would have to negotiate with his regime.

In the concluding portion of his speech, Ulbricht went on to add: "I do not want to leave any doubt. The character of West Berlin as a potential core of a new war will be eliminated. The Berlin problem will also be tackled if there is only a peace treaty with the German Democratic Republic. It will only be a matter of whether the process is painless or more difficult."